Approved For Release 2001/25/04: RDP79R00890A000700100029-8 NSE BRIEFING 26 OCTOBER 1956 SMELLINE TAPPLICATIONS Poland: The Soviet decision to go along with Gomulka's Polish Nationalist Communist state may be reassessed in Moscow because of events in Hungary. Any firmer judgment on this subject must await the conference which is kely to take place shortly in Moscow between Polish and Soviet Communist leaders. Gomulka may be committed to attend this meeting because of his apparent promise given that he would do so if Soviet military forces in Poland returned to their normal stations. Soviet troops did not reach \* Warsaw. (HUNGARY: Soviet military intervention in Budapest may have been due to Moscow's AFTER YOLAND 6 unwillingness to accept a second humiliation, On the other hand e been due to the fact that the Polish revolt never took a clear-cut EVEN THOUSH communist character although it was clearly against Soviet domination of Polish national life. On 'the Hungarian revolt. IN CONTRAST, the rebels were clearly both anti-Communist and anti-Russian and were unwilling to settle for a Gomulka-type government represented by Prime Minister Nagy. The Hungarian regime may demonstrate the inability of moderate nationalist Communist regimes to retain control and this may affect the situation of Gomulka in Warsaw. The circumstances of Soviet military intervention in Budapest are not yet clear. Apparently a frightened Prime Minister of a few hours, Nagy, called for Soviet help and then when he saw the ensequences ECLASSIFIED SS. CHANGED TO: TS S C

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endeavored to appease the rebels instructions by offering amnesity against

the retirement of Soviet forces and one report said from Hungary. It is

evident that the revolt in Budapest took on a far more dangerous character

than the similar demonstrations in Warsaw and the most serious challenge

to Soviet control of a satellite country that it has yet faced (Tito's defection entirely different type of situation).

IV. USSR in serious dilemma as regards Satellite policy: whether to revert to harsh Stalinist measuresx or to continue tolerance of "national" Communist regimes in Hungary and Poland.

A. The first is alternative would jeopardize overall "peaceful coexistence" foreign policy in eyes of world.

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- B. The second alternative risks the USSR's continued control of all its European Satellites.
- V. The Soviet intervention in Hungary will discredit the USSR's "peace and freedom" line in the West and, if properly exploited, may have a similar effect in neutralist and uncommitted areas.

(more)

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Whether the Tito-type of national Communism will prove viable in either Poland or Hungary as a way station towards greater freedom even if the Russians encourage or support it but without dominating it is uncertain. Tito who welcomed the events in Poland has been silent about developments in Hungary and may well view them with real alarm. In my opinion the peoples of neither Poland, Hungary, nor Yugoslavia would in free elections endorse a Communist regime. Neither Hungary nor Poland kansk could quickly disengage themselves economically from the Soviet bloc without

substantial Western assistance. There would not be, however, any

insuperable difficulties to substituting Western for Eastern sources of supply and markets. Rimadkyxxbbere

H III. China:

There is some evidence that China has welcomed the developments in Poland. Its position regarding Hungary is not yet disclosed but this should be followed closely to see whether with they may not have the first serious rift between China and the USSR.

. Effect on Soviet Leadership

For the immediate future in order not to highlight the crisis Soviet leaders will probably struggle to give an outward impression of unity.

A turn now would be an admission of serious instability and doctrinal bankruptcy. However, Soviet leadership is on the defensive and Khrushchev

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and his policies are probably the being subjected to critical review. His

A. Zhukov might have the decisive voice in the choice of a days may be numbered. Advantage the was against any armed intervention in any conflict of any sort: "We prefer peace to war throughout the world -- and that goes for mepersonally, too." I don't ever want to face the enemy again, not even victoriously alongside allies, since that would involve terrible human losses."